

Welcome to Government Purchase Card Responsibilities

In this topic you will review the roles and responsibilities of various players involved in the use and maintenance of the Government Purchase Card. Your introduction to card maintenance will include information about card set-up as well as information about trade-off circumstances within the card's management.



Welcome to Government Purchase Card Responsibilities

Upon completion of this topic, you will be able to:

- Identify the key roles and responsibilities of various players involved with the Government Purchase Card (GPC).
- Recognize rules for setting cardholder monthly or office purchasing limits, and the various rules involved with account suspensions.
- Identify circumstances for account termination.

The Market Place

Several entities, both Government and commercial, contribute to the effective management and administration of the Government Purchase Card Program.

The key player of the market place involved with the Government Purchase Card is the merchant. The merchant provides commercial goods and services, and may include other Government agencies.



D-Link Text:

This is an interactive flash module that includes the following information concerning the key roles of the individuals involved in the use of the government purchase card.

Supervisor

Recommends trusted individuals under his or her management to be designated as cardholders and Approving Officials, and recommends monthly and billing office limits.

Approving/Billing Official (AO/BO)

An individual who has responsibility for one or more Government Purchase Cardholders. The AO should be the cardholder's immediate supervisor. In the case where the AO is not the cardholder's supervisor, the AO has the ability to influence the cardholder's performance appraisal and make recommendations to the cardholder's supervisor when disciplinary action is warranted. For DoD, the Approving Official acts as the Certifying Officer (CO). The CO is responsible for ensuring that the transactions of individual cardholders meet the legal requirements for authorized purchase card transactions, that the facts presented in all cardholder documentation are complete and accurate, and that adequate documentation is available for individual transactions. Also referred to as "Billing Official".

Certifying Officer

The individual who certifies that the purchase card invoice is legal and proper for payment. For DoD, the Approving Official acts as the Certifying Officer. For the U.S. Air Force, the Financial Service Officer (FSO) appoints the individual within their office to act as the Certifying Officer. Unless specifically waived by the USD

(C), DoD Approving Officials shall be appointed as the Certifying Officer.

Cardholder

The individual Government employee to whom a written delegation of authority has been given granting the use of a Government Purchase Card. Cardholders are responsible for the accuracy of information and data they provide to an Approving Official/Certifying Officer in support of a Government Purchase Card purchase. The cardholder is the individual whose name appears on the purchase card/account.

Agency/Organization Program Coordinator

A Government employee designated to provide complete oversight of the local, regional or agency-wide Government Purchase Card Program. Also referred to as Agency Program Coordinator (APC).

Close window to continue

The Agency/Organization: The Supervisor

We have begun by identifying the five key players involved on the Government Purchase Card market place. Now let's cover their roles and responsibilities within the organization in more detail.

Within the Agency/Organization the Supervisor:

- [Recommends cardholders and Approving Officials \(AOs\) within their organization to the Agency/Organization Program Coordinator \(APC\).](#)
- [Selects appropriate cardholders and AOs to ensure they are trustworthy, have a bonafide need to purchase items, and have adequate time to carry out their responsibilities.](#)
- [Recommends the monthly and office limits in coordination with the Financial Management.](#)
- Notifies the APC when naming or removing cardholders and AOs.
- Designates AO and cardholder duties in the performance standards of individuals delegated this authority.



Popup Text:

Recommends cardholders and Approving Officials (AOs) within their organization to the Agency/Organization Program Coordinator (APC).

There is no set number of cardholders for an agency. In certain circumstances, a large number of cardholders may be required to accomplish the mission of the agency. The risk of increasing potential liability through issuing more cards must be weighed against the savings that can accrue through decentralized purchasing procedures. A regular review of account activity will identify accounts with little or no activity. Accounts no longer needed must be closed. Approving Officials shall have adequate time to review cardholder statements and in no case be responsible for more than seven cardholders. Supervisors must continually assess the ongoing need for current cards. Cards must be cancelled when a cardholder leaves the agency, is reassigned, or there is no longer a valid need for the card at the agency.

Selects appropriate cardholders and AOs to ensure they are trustworthy, have a bonafide need to purchase items, and have adequate time to carry out their responsibilities.

The number of cardholders assigned to an AO should be reasonable considering the volume of cardholder activity and the organizational structure. The AO must be able to conduct a 100% review of purchases/payments, and in no case be responsible for more than seven cardholders. Supervisors must continually assess the need to issue new cards, as well as cancel any unneeded cards.

Recommends the monthly and office limits in coordination with the Financial Management.

Spending limits must be appropriate for the expected purchasing activity.

The Agency/Organization: The Approving Official Responsibilities

As we just mentioned, the Supervisor is responsible for selecting the Approving Official.

The AO is responsible for ensuring:

- Transactions of individual cardholders meet the legal requirements for authorized purchase card transactions.
- Adequate documentation is available to support individual GPC transactions.
- Facts presented in the cardholder's documentation are complete and accurate.
- Cardholders follow all required policies and procedures regarding purchases with the GPC.
- Certified billing statements and supporting documents are retained for six years and three months after final payment, and cardholder statements of account and associated receipts for three years after final payment according to FAR 4.805.
- The APC is notified prior to leaving his or her position.

For DoD, the Approving Official acts as the Certifying Official.

The Agency/Organization: Certifying Official

The Certifying Official (CO) certifies that the purchase card invoice is legal and proper for payment. COs are responsible for:

- information stated in the certificate, voucher, and supporting records;
- the computation of a certified voucher;
- the legality of a proposed payment under the appropriation or fund involved;
- [repaying a payment; and](#)
- [certifying payments for purchases.](#)

Certifying Officials are pecuniarily liable for erroneous payment; they are to seek advice from the activity's fiscal attorney when questioning use of funds for specific purchases.

A purchase card Certifying Official appointment is accomplished by issuance of a letter of appointment and, for some agencies, completion of a Signature Card (DD Form 577).



Popup Text:

repaying a payment; and

COs are responsible for repaying a payment that is:

- Illegal, improper, or incorrect because of an inaccurate or misleading certification; Prohibited by law; or
- That does not represent a legal obligation under the appropriation or fund involved.

certifying payments for purchases.

The CO must certify payments for purchases. When receiving paper copies of Billing Statements, the CO is also responsible for ensuring:

- The billing statement is dated upon receipt,
- A complete and legible accounting classification appears on the face of the billing statement,
- The signed billing statement promptly arrives at the paying/accounting office according to agency procedures.

The appointment letter and DD Form 577 shall identify the types of payments to be certified. The completed signature card and Certifying Officer appointment letter shall be forwarded to the supporting Accounting/Paying Office.

The Agency/Organization: The Cardholder



With mediation by the AO and CO on transactions cardholders hold a public trust and must meet the highest ethical standards. Cardholders are responsible for:

- Receiving proper training and authorization in accordance with agency procedures.
- Using the card "For Official Use Only."
- Providing accurate information and data to a Certifying Official in support of a Government Purchase Card purchase.
- [Erroneous payments](#).
- Safeguarding the GPC.
- [Maintaining proper documentation for the GPC](#).

Read an example of a [GPC cardholder appointment form](#).

Popup Text:

Erroneous payments

Cardholders are responsible for erroneous payments that result from information, data, or service, including designation of proper appropriations or other funds they provide to a Certifying Official. The cardholder is to seek advice from the activity fiscal attorney when questioning use of funds for specific purchases.

Maintaining proper documentation for the GPC

Cardholders are responsible for maintaining proper documentation regarding the GPC, such as:

- Written requests,
- Funding availability,
- Purchase log,
- Local purchase authority, and
- Property book procedures as appropriate.

The Government Purchase Card Players

As an extension to receiving proper training and the general responsibilities for transactions by the cardholder, there are a number of additional responsibilities involved in the purchasing process as well as in ensuring approval.

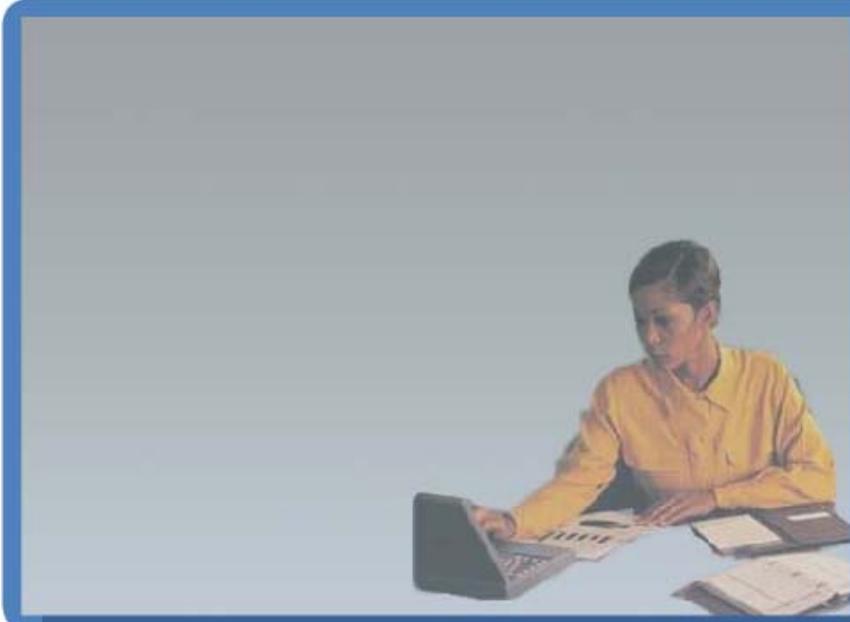


Cardholder responsibilities include:

- Checking mandatory sources of supply prior to initiating purchases.
- Maintaining consistency with policies and procedures for the Government Purchase Card Program.
- Obtaining approvals, if required, prior to making a purchase.
- Keeping purchases within the single purchase and monthly purchase limit.
- Informing the merchant that billing cannot occur until the item(s) are shipped and/or delivered.
- Ensuring that the statement of account is completed, and forwarded to the Approving/ Certifying Official along with all backup documentation to allow timely certification of the billing statement.
- Notifying of their APCs before they leave and disposal of their GPC in accordance with local procedures. goes here.

Procurement & Finance Offices

Government Purchase Card responsibilities are not limited to card users but also apply to members of the Procurement & Finance Offices. Key roles within the Procurement & Finance Offices involve the APC, the Resource/Financial Manager, and the Accounting/Paying Office. Select from the items below to learn more.



The APC

**The Resource/
Financial Manager**

**Accounting/
Paying Office**

Click the items to view content.

D-Link Text:

This is an interactive flash module that includes the following information concerning the breakdown of responsibilities within the Procurement and Finance Offices.

The APC

The Agency/Organization Program Coordinator (APC):

- Maintains a liaison with the card-issuing bank.
- Receives and processes cardholder, Approving and Certifying Official requests for appointment in accordance with agency procedures.
- Conducts training of cardholders, Approving and Certifying Officials.
- Prepares policy and guidance, and delegation of authority memoranda to appoint cardholders, AOs, and Certifying Officials.
- Changes dollar thresholds, cancels cards and performs annual audit reviews.
- Revokes any credit card and recommends termination of any cardholder/Approving/Certifying Official from the program.
- Serves as the GPC focal point at each activity.
- Sets up Cardholder and Approving Official accounts in the Bank's Electronic Access System (C.A.R.E. or CitiDirect).
- Provides written or electronic confirmation of all card cancellations to the card-issuing bank.

The Resource/Financial Manager

The Resource/Financial Manager is the individual responsible for:

- Providing accounting data in support of Government Purchase Card purchases.
- Committing/obligating funds in support of GPC buys.
- Maintaining a system of positive funds control over card purchases.

Accounting/Paying Office

The Accounting/Paying Office is the Organization responsible for:

- accounting for, and
- making payments to the card-issuing bank against Government Purchase Card statements of account.

Close window to continue

Card-Issuing Banks



As we have just discussed the Procurement and Financial Offices act as liaisons to the card-issuing bank which in conjunction:

- Provides credit for all Government Purchase Card charges.
- Produces and disseminates monthly billing statements and cardholder statements of accounts.
- Investigates all disputes.
- Issues and administers the distribution of cards.
- Issues rebates.
- Cardholders will be issued a Government Purchase Card by either U.S. Bank or Citibank.

According to the terms of the General Services Administration (GSA) contract with the card-issuing bank, the Government is required to pay the card-issuing bank for purchases when an authorized cardholder uses his or her card fraudulently or improperly. The U.S. Government will then recover the funds from the responsible cardholder and take appropriate administrative/criminal action against this individual.

Knowledge Review

Please select a correct answer.

Which of the following is a responsibility of the Government Purchase Cardholder?

- Investigates all disputed purchases.
- Acts as liaison between the Government and the card-issuing bank.
- Performs contract administration within the limits of his or her delegated authority.
- Ensures funding availability.

Submit



Knowledge Review

Please select a correct answer.

Who is responsible for ensuring that Government Purchase Card transactions are authorized and that the billing statement is complete for certification?

- Cardholder.
- Approving/Certifying Official.
- Resource/Financial Manager.
- Supervisor.
- Agency/Organization Program Coordinator.

Submit



Increasing Limits

Now that the responsibilities of the key players involved in the use of Government Purchase Card have been established, we can address a number of items regarding maintenance and supervision of the card. We can first address the topic of increasing the credit or purchasing limit of the card.

Any increase to a cardholder's monthly or office purchase limits must be coordinated between the cardholder's Supervisor and the Financial Manager. Supervisors must make regular reviews of existing cardholders and their monthly spending limits to help ensure that monthly spending limits are appropriate for the expected purchasing activity. Select from the items below to learn what is required for adjusting each of the limits.



D-Link Text:

This is an interactive flash module that includes the following content concerning the increase of spending limits.

Increasing Monthly Limits

To increase a cardholder's 30 day (monthly) limit, the Supervisor forwards a written request to the APC that includes:

- The cardholder's and Approving Official's names, e-mail addresses, and official mailing addresses.
- The cardholder's revised monthly limit.
- The approval of the supporting Financial Manager.

Increasing Office Limits

To increase office limits, the Supervisor must submit a written request to the APC. This written request must include:

- The Approving Official's name, account number, e-mail addresses, and official mailing address.
- The Approving Official's revised office limit.
- The approval of the supporting Financial Manager.

Close window to continue

Cardholders Changing Billing Officials



Another aspect of Government Purchase Card maintenance is handling the changing of the Billing Official or Approving Official. As we mentioned previously this is the individual selected by the Supervisor and responsible for ensuring that transactions made by the cardholder are legal and authorized and the documentation supporting the transaction is correct.

In order to move cardholders from one Approving Official's managing account to another, the cardholder's old card must be cancelled and a new account be opened under the new AO's managing account.

The Supervisor must submit requests to change AOs, with concurrence of the Financial Manager, to the APC.

Account Termination

Both cardholder and AO accounts can be terminated by written request from the Supervisor to the APC.

Termination of AO accounts also results in the termination of all cardholder accounts assigned to them. If the termination of the cardholder's account does occur due to AO account termination, the cardholder is to notify the Approving Official that transactions will show up on subsequent statements and provide applicable purchase documentation to reconcile the account.



GPC Account Suspension



In the case of account suspension it is DoD policy to:

- Pay its invoices within 30 days of receipt.
- Suspend any outstanding balance over 60 days delinquent.

The card-issuing bank will suspend accounts when they go 60 days past the statement date. Additionally, the card-issuing bank will suspend **all** accounts at the installation if any one account goes 180 days past the statement date. Billing accounts that become over 180 days past the statement date will cause suspension of an entire activity.

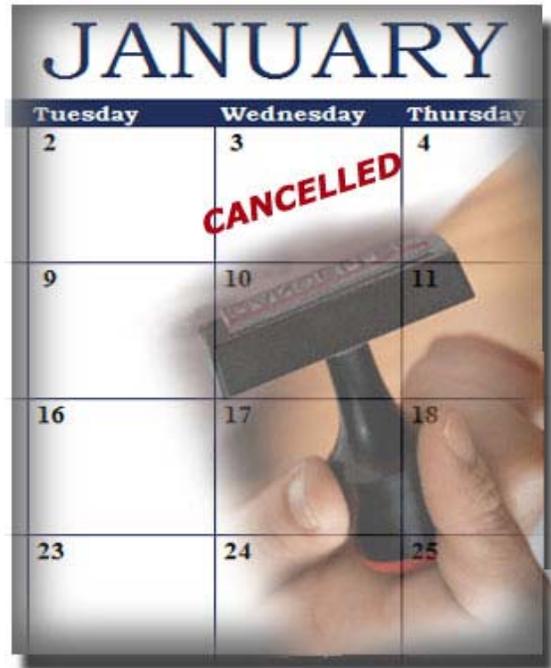
Should an AO's account be suspended due to delinquent payment under one account all cardholders reporting to the same account will also be suspended.

Prior to Suspension

Prior to suspension the card-issuing bank will notify AOs and APCs of the pending suspension. The accounts will remain suspended until brought up to date by reconciling and paying outstanding invoices. At that time, accounts will automatically be reinstated. Reinstatement of suspended accounts may incur a reinstatement fee of \$25.00.

Accounts suspended more than twice in a twelve month period will be cancelled.

Delinquency files are available for viewing at the DoD Management Office Website, or the [Customer Automation & Reporting Environment \(C.A.R.E.\) Website](#). It is encouraged that all APCs work closely with their Financial Management communities to manage this issue aggressively.



Knowledge Review

Please select a correct answer.

An increase to a cardholder's monthly limit must be submitted to the APC by:

- The cardholder.
- The Resource/Financial Manager.
- The Supervisor.
- None of the Above.

Submit



Knowledge Review

True or False.

Termination of Approving Official accounts results in the termination of all cardholder accounts assigned to them.

- True
- False

Submit



Knowledge Review

Please select a correct answer.

Billing accounts are currently suspended by the card-issuing bank once the account is:

- 30 days past the statement date.
- 60 days past the statement date.
- 90 days past the statement date.
- 120 days past the statement date.

Submit



Knowledge Review

True or False.

Once an account is 60 days past the statement date, only the cardholder account causing the suspension results in suspension.

- True
- False

Submit



Summary

Now that you have completed this topic, you should be able to:

- Identify the key roles and responsibilities of various players involved with the Government Purchase Card (GPC).
- Recognize rules for setting cardholder monthly or office purchasing limits, and the various rules involved with account suspensions.
- Identify circumstances for account termination.